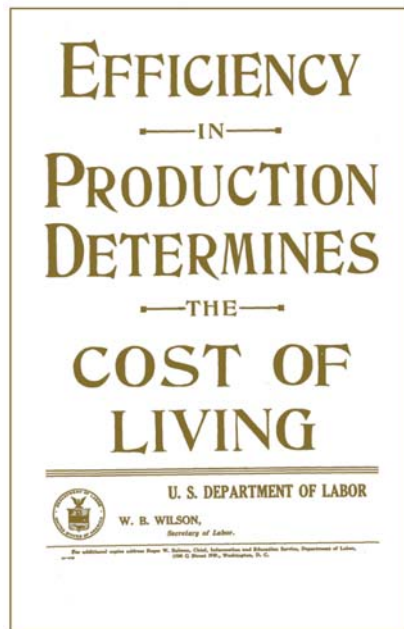




United States
DEPARTMENT
of **LABOR**

*From Excellent to Extraordinary:
The Role of Leadership at DOL*

2007 REPORT ON ACCOMPLISHMENTS



DID YOU KNOW?

The bottom poster to the left was commissioned by Secretary William B. Wilson in 1918. The artwork in the poster is a painting by Gerrit A. Beneker, who was employed by the U.S. Navy to do a series of patriotic war posters and whose broader art work was intended to inspire and give honor to the American worker. The message of the poster—that of a bright future—matches this report: the bright future in the Department of Labor involves the Department's employees moving from *Excellent* to *Extraordinary*.

The other posters were also published under the leadership of Secretary Wilson. When America entered World War I in 1917, DOL contributed its share to the effort. The Department quickly assumed major responsibility for implementing the nation's war labor policies and programs. These posters depict the importance of production efficiency and inextricably link efficiency to the cost of living. These are just three of the many posters commissioned to demonstrate that war efforts were shared by soldiers, employers and employees, alike.

SECRETARY'S MESSAGE



Dear DOL Colleagues:

In the past few years, the Department of Labor has become synonymous with high performance, results, and accountability in the federal government. We are doing more and doing better for America's workers. And we are being more responsible stewards of taxpayers' dollars.

These achievements are a credit to everyone who has worked so hard for America's workers. It could not happen without the leadership of our Senior Executive Service team. That is why the theme for this year's conference is *From Excellent to Extraordinary: the Role of Leadership at DOL*. Your efforts are being recognized and lauded as the Department's success has led the way in the government-wide implementation of the President's Management Agenda.

This year marks the sixth-annual Senior Executive Service Leadership Training Conference that I have had the pleasure of hosting. I urge everyone to take advantage of this opportunity to confer on goals, best practices and improvement strategies so that the Department can do an even better job of fulfilling its mission. This is a rare time when Senior Executive Service staff from all over the country come together and everyone should take time to strengthen the teamwork which is so essential to our continued success.

Your work makes a difference every single day in fulfilling the Department's vital mission to protect and promote the health, safety, retirement security and competitiveness of our nation's workforce. I am so pleased to be part of the Department of Labor, and to recognize the many outstanding professionals of our Senior Executive Service team.

Thank you for your great work and dedication. I hope you will find the conference informative and inspiring!

Sincerely,

A handwritten signature in black ink that reads "E.L. Chao". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Elaine L. Chao

STATEMENT FROM THE ACTING DEPUTY SECRETARY



Since January of this year, it has been my privilege to serve as the Acting Deputy Secretary of Labor. Complemented by my experience over the last several years as Solicitor of Labor, my new role has only reinforced what I already knew: the employees of the Department of Labor form an *extraordinary* team – and the *role of leadership* is central to our successes.

Since her confirmation by the United States Senate in January 2001, Secretary Elaine L. Chao has been dedicated to carrying out the Department's mission of promoting and protecting the health, safety, retirement security, and competitiveness of the nation's workforce. And while serving America's workers, Secretary Chao quietly just achieved a Departmental milestone: surpassing the length of service of Secretary W. Willard Wirtz, placing her fifth in tenure of all the 24 Labor Secretaries that have served our nation. In fact, she is the longest-serving Secretary of Labor since Secretary James P. Mitchell, who served as President Dwight D. Eisenhower's Labor Secretary from 1953 to 1961.

Under Secretary Chao's leadership, and thanks to your diligent efforts, DOL has made tremendous progress to improve DOL's effectiveness and accountability to the American public. In December 2006, DOL was honored with the President's Quality Award for excellence in *Expanded Electronic Government*, which complements three previous Presidential honors DOL received for management excellence. The Program Assessment Rating Tool, or PART, continues to guide our efforts to improve the performance of our programs. PART assessments have not only been useful to informing the public and policy makers of our programs' strengths and weaknesses – they also have provided our program managers a systematic method of self-assessment and roadmap for greater effectiveness.

While pleased with these accomplishments, we continue to focus on the future of DOL. Several years ago, we revived DOL's Senior Executive Service Candidate Development Program, which is designed to attract, train, and develop the future leaders of DOL. The most recent class is currently completing its developmental assignments and will be ready to serve when called.

Thanks to you, DOL is on the right track, and these are just a few of the results that *you* have helped achieve.

Sincerely,

A handwritten signature in black ink that reads "Howard M. Radzely". The signature is fluid and cursive, with the first name "Howard" being the most prominent.

Howard M. Radzely

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INTRODUCTION — FROM EXCELLENT TO EXTRAORDINARY

DOL MISSION

Foster and promote the welfare of the job seekers, wage earners, and retirees of the United States by improving their working conditions, advancing their opportunities for profitable employment, protecting their retirement and health care benefits, helping employers find workers, strengthening free collective bargaining, and tracking changes in employment, prices and other national economic measurements. In carrying out this mission, the Department administers a variety of federal labor laws including those that guarantee workers' rights to safe and healthful working conditions; a minimum hourly wage and overtime pay; freedom from employment discrimination; unemployment insurance; and other income support.



PRESIDENT'S QUALITY AWARD

In December 2006, DOL was awarded the President's Quality Award for *Performance in Expanded Electronic Government*. As stated in the award narrative, DOL's e-government initiatives "share three common principles: unequivocal management support, strong accountability and a unified approach." Through its hard work on e-government, DOL made great strides in enhancing mission efficiency, improving customer access and service, and reducing program costs.

THE PRESIDENT'S MANAGEMENT AGENDA — OVERVIEW

THE PRESIDENT'S MANAGEMENT AGENDA

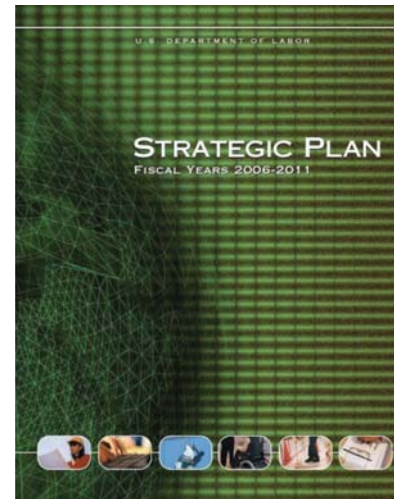
The U.S. Department of Labor has always put an emphasis on sound management and it was only fitting that – when President George W. Bush introduced his Management Agenda (PMA) in 2001 – DOL eagerly began implementing its initiatives and made solid, demonstrable progress. In fact, by the third Quarter of FY 2005, DOL became the *first* agency to achieve **green** status scores for all five government-wide initiatives. Of this achievement, OMB Deputy Director for Management, Clay Johnson, said, "both federal employees and taxpayers win when agencies better manage their programs, people, and costs, and I congratulate the Department of Labor for leading this government-wide effort." And as highlighted on the latest PMA scorecard on the next page, DOL has continued its momentum – and has also achieved **green** scores in the agency-specific initiatives of *Eliminating Improper Payments and Faith-Based* and *Community Initiative* – with yellow status and **green** progress scores in *Real Property Asset Management*.

DOL STRATEGIC GOALS: 2006 - 2011

In September 2006, DOL launched its 2006 – 2011 Strategic Plan (available at www.dol.gov/_sec/stratplan/strat_plan_2006-2011.pdf). Through this plan, four strategic goals support DOL's efforts to achieve its mission:

- *A Prepared Workforce* provides training and services to new and incumbent workers and supplies quality information on the economy and labor market.
- *A Competitive Workforce* enhances the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of world-wide competition.
- *Safe and Secure Workplaces* promotes workplaces that are safe, healthful, and fair; provides workers with the wages due them; provides equal opportunity; and protects veterans' employment and re-employment rights.
- *Strengthened Economic Protections* protects and strengthens economic security; ensures union transparency; and secures pension and health benefits.

Upon the launch of the plan and these updated strategic goals, Secretary Chao said, "Today's very competitive global economy requires that both the public and private sectors have a workforce that is well educated and prepared and clear goals and plans for accomplishing goals. We believe that the Department of Labor Strategic Plan for the next six years will help us to promote a safe, efficient and healthy workplace for all Americans."



DOL President's Management Scorecard Trends					
Period	Current Status				
	Human Capital	Competitive Sourcing	Financial Perf.	Egov	Budget/Perf Integration
FY 2007 Q3	G	Y	G	Y	G
FY 2007 Q2	G	G	G	G	G
FY 2007 Q1	G	G	G	G	G
FY 2006 Q4	G	G	G	G	G
FY 2006 Q3	G	G	G	G	G
FY 2006 Q2	G	G	G	G	G
FY 2006 Q1	G	G	G	G	G
FY 2005 Q4	G	G	G	G	G
FY 2005 Q3	G	G	G	G	G
FY 2005 Q2	G	Y	G	G	G
FY 2005 Q1	G	Y	G	G	G
FY 2004 Q4	G	Y	G	G	G
FY 2004 Q3	G	Y	Y	Y	G
FY 2004 Q2	G	R	Y	Y	Y
FY 2004 Q1	Y	R	Y	Y	Y
FY 2003 Q4	Y	R	Y	Y	Y
FY 2003 Q3	Y	R	Y	Y	Y
FY 2003 Q2	Y	R	Y	Y	Y
FY 2003 Q1	Y	R	Y	Y	Y
FY 2002 Q4	Y	R	Y	Y	R
FY 2002 Q3	Y	R	Y	Y	R
2001	Y	R	R	Y	R

HISTORIC HEADQUARTERS

DOL LOCATIONS PRIOR TO THE FRANCES PERKINS BUILDING



Left to right: The Willard Building, which is no longer standing, was the first DOL headquarters, from 1913 – 1917; The Department of Labor Building, which is no longer standing, was the second DOL headquarters, from 1917 – 1935; The Main Labor Building, which now houses EPA offices, served as DOL headquarters from 1935 until DOL employees began occupying what is now the Frances Perkins Building in 1975.

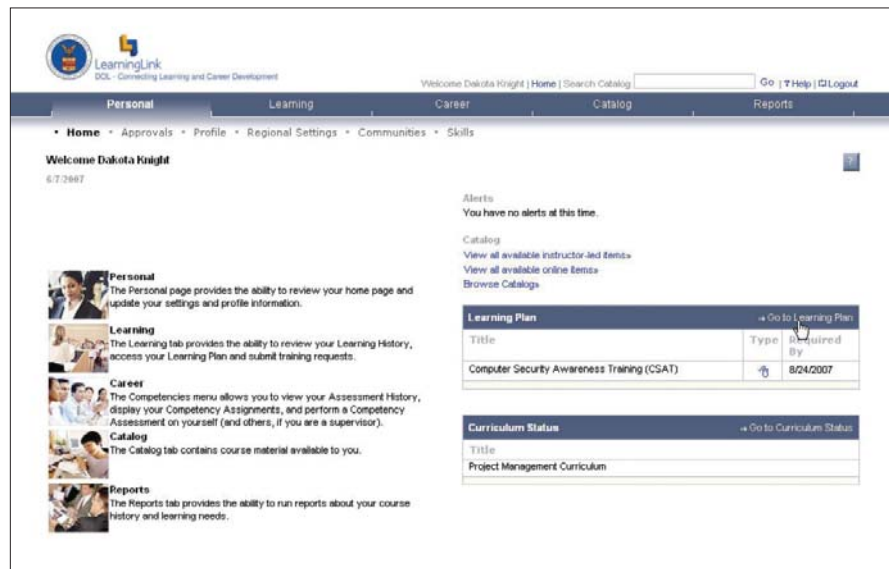
STRATEGIC MANAGEMENT OF HUMAN CAPITAL: LINKING HUMAN CAPITAL STRATEGIES TO ORGANIZATIONAL MISSION, VISION AND GOALS

CONTINUAL DEVELOPMENT: USING TECHNOLOGY TO FIND THE TRAINING YOU NEED WHEN YOU NEED IT

LEARNINGLINK — THE ELECTRONIC TRAINING (e-TRAINING) SYSTEM

The Department of Labor's latest endeavor in the area of *Expanded Electronic Government* will be to provide you with a one-stop portal to e-Training products and services. The e-Training solution is called LearningLink – which will provide streamlined access to the departmental training programs. LearningLink will support **your** career development and personal growth while providing the ability to deliver mandatory training from a single location. LearningLink will also provide you the opportunity to view your training history on-line.

Over the next few months, the Department will phase in LearningLink. Additional training – including *No Fear Act* and *Drug-free Workplace* offerings, along with the common needs training offered through SkillSoft – will then be made available through LearningLink. Over time, agencies will continue to add updated course content – with the aim of benefiting **your** development needs.



SUCCESSION PLANNING — IDENTIFYING TOMORROW'S LEADERSHIP TODAY

THE MANAGEMENT DEVELOPMENT AND MBA FELLOWS PROGRAMS: ENHANCING CORE COMPETENCIES, CREATING NEW MANAGERS.

In September 2006, the Department launched its second Management Development Program. A program that was originally piloted in OASAM has now led to a Departmental approach in developing future managers and leaders. The Management Development Program is aimed at mid-level employees GS-12/13/14 to ensure DOL has future leaders standing in the wings with the necessary management competencies to continue the Department's important work.

The current class has 37 participants from BLS, ESA, MSHA, OSHA and OASAM – and we are committed to expanding agency participation in the near future. As a testament to the success of this mid-level program, two participants from the previous class are currently in the SES Candidate Development Program!

DOL's successful MBA Fellows program welcomed its sixth class of 15 Fellows this summer - increasing the total to 92 participants. Of the 49 Fellows who have completed the program, 48 have been placed in permanent positions within the Department.

With this success, let's check in on some of the programs' graduates to give you an idea of how the programs have helped their participants develop professionally – and how they, in turn, help the Department to achieve its mission. Where *are* they now?

WHERE ARE THEY NOW?



MBA FELLOW FINDS SUCCESS WITH OSHA CATHY CESTONE

Cathy Cestone has high praise for DOL's MBA Fellows Program: "It really helped me educate myself about the workings of the Department. It gave me an instant network of other Fellows going through the same learning process. I am glad I began my career with this program." A member of the third class of MBA Fellows, Cathy attended Congressional hearings and reported on legislative changes in her first assignment in ESA. Cathy later joined OSHA to work on the PMA, including Competitive Sourcing, and completed a detail in the Boston Regional Office. Now a Management and Program Analyst with OSHA, Cathy continues to work on PMA initiatives, such as Budget and Performance Integration, in the Human Resource and Budget Offices.



MANAGEMENT DEVELOPMENT PROGRAM GRAD NOW IN SES CANDIDATE DEVELOPMENT PROGRAM TOM SHANAHAN

"The Department grounds its human capital strategy in the recognition that its ability to achieve its goals is tied directly to the talent and skill of its employees. The Management Development Program (MDP) and the SES Candidate Development Program are important succession planning tools in DOL's human capital strategy. I completed the MDP several years ago after working as a trial attorney in the Atlanta Regional Solicitor's office and I am currently in the SES Candidate Development Program. The MDP helped me

expand my management competencies, form important professional relationships with colleagues from other DOL agencies, and learn how our work contributes to the Department's overall mission and strategies. The MDP performs the critical function of helping participants place their work in the context of their individual agencies and the Department as a whole. The SES program focuses on the development of critical leadership competencies. As a result of this important program, the Department is developing multi-functional and flexible leaders capable of building coalitions and working across organizational boundaries. With these skills, I am better equipped to effectively manage public resources and deliver the results that the American public demands."

COMPETITIVE SOURCING: IMPROVING THE QUALITY AND VALUE OF OUR SERVICES

FORGING THE EFFICIENT ORGANIZATION

The Secretary's second strategic goal – *A Competitive Workforce* – also applies to DOL's workforce. As in all strategic goals, we at the Department try to practice what we preach. Competitive Sourcing is designed to develop a competitive workforce – by maximizing efficiency through public/private competition. The process encourages innovative solutions to find the most cost-effective level of high-quality service. DOL's Office of Competitive Sourcing provides centralized management and leadership to assist agencies throughout DOL in conducting competitions in accordance with the provisions of Office of Management and Budget (OMB) Circular A-76, *Performance of Commercial Activities*.

One of the most reliable methods to achieve performance improvements is through competition, regardless of whether the work stays in-house or is provided by contract. Agencies are responsible for conducting competitions in a fair, transparent and competitive environment – while ensuring that no bias is present to favor a specific outcome.

The Department encourages the development of a government "most efficient organization" (MEO) to compete with bids

which may be received from the private sector. The MEO is designed to find innovative solutions to existing work processes that can be made more efficient to improve the Department's chances of retaining the work in-house when competing against private-sector firms.

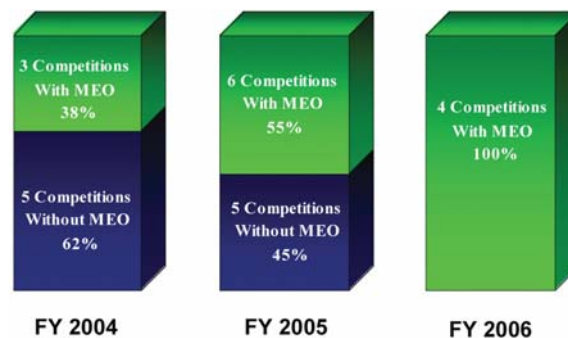
The competition process generally results in savings regardless of whether the performance decision is in favor of the government or the private sector. The following four recently-completed competitions

involving 117 FTE will save the government approximately \$5.4 million:

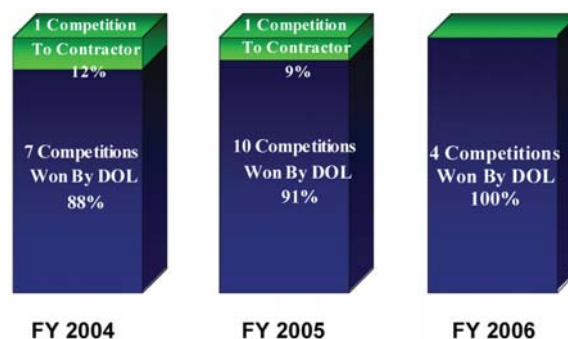
FUNCTION
National Certification Program
Installation Services
Visual Services
Chemical Services

All four competitions resulted in the work being retained in-house, which means that the work continues to be performed by DOL employees.

IN FY 2006 ALL COMPETITIONS INCLUDE DEVELOPING AN MEO



DOL COMPETITIONS FROM FY 2004 - 2006



PHILIP ARNOW AWARD RECIPIENT

ANNABELLE T. LOCKHART

Washington, DC

Office of the Assistant Secretary for Administration and Management



As Director of the Civil Rights Center (CRC), Annabelle is responsible for an external civil rights compliance assistance and enforcement system designed to assure nondiscrimination and equal opportunity for employees and customers of state and local government agencies and thousands of other individuals and entities who receive financial assistance from DOL. She is also responsible for enforcement of statutes and regulations barring discrimination in certain DOL-conducted activities and directs the DOL internal Equal Employment Opportunity (EEO) program. She has led the way in developing and implementing new methods of providing compliance assistance for recipients in the external programs under her jurisdiction, as well as resource-efficient methods of enforcing compliance with the nondiscrimination requirements applicable to these programs. Throughout her career, Annabelle has also demonstrated vision and persistence in recognizing, recommending, and implementing changes necessary to maximize the performance of, and ensure equal opportunity within, her own office, DOL, and the federal government as a whole.

DOL-FUNDED ROBOTICS EXPERT ASSISTS IN MINER RESCUE EFFORTS

Funding from the Department enables Dr. Robin Murphy, a renowned robotics expert, to assist in efforts to rescue miners using cutting-edge technology. DOL funded this effort through an inter-agency agreement with the National Science Foundation and focuses on underground communication devices and new mine rescue technologies. Dr. Murphy's team develops new technologies for underground communications to allow more reliable within-mine, and mine-to-surface communications, in addition to evaluating existing and prototype mine rescue and recovery robotics. Dr. Murphy's work gained widespread recognition after the 9/11 terrorist attacks, when she used her robots and expertise to assist the search for survivors at Ground Zero. Dr. Murphy's efforts for DOL are breaking new ground in mine safety and helping to ensure that America's miners have the latest technologies available to ensure the safest working conditions possible. Thank you, Dr. Murphy!





ALFRED E. SMITH
(1873-1944)
**2006 LABOR HALL OF
FAME HONOREE**

Al Smith grew up in the multi-ethnic Lower East Side of Manhattan. His grandparents were Irish, German, Italian, and English, but Smith identified with the Irish Catholic

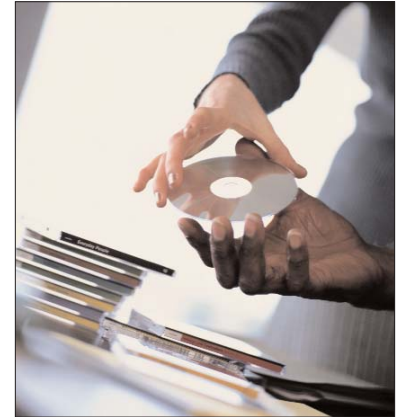
**"ALL THE ILLS OF
DEMOCRACY CAN
BE CURED BY MORE
DEMOCRACY."**

community and became its leading spokesman in the 1920s. On May 6, 1900, Alfred Smith married Catherine A. Dunn, with whom he had five children.

Smith's first political job was as a clerk in the office of the Commissioner of Jurors in 1895. In 1903 he was elected to the New York State Assembly. He served as vice chairman of the commission appointed to investigate factory conditions after a hundred workers died in the disastrous Triangle Shirtwaist Factory fire in 1911. Smith crusaded against dangerous and unhealthy workplace conditions and championed corrective legislation. After serving in several important positions in the New York State Assembly, Smith was elected governor of New York in 1918. During his term, New York laws governing workers' compensation, women's pensions, and child and women's labor were strengthened with the help of Frances Perkins, soon to be FDR's Labor Secretary. After the 1928 election, he became the president of Empire State, Inc., the corporation which built and operated the Empire State Building.

IMPROVING FINANCIAL PERFORMANCE

The availability of timely, accurate, and useful information is essential to any well-managed, effective organization. The Office of the Chief Financial Officer (OCFO) has devoted significant resources to secure the Department's achievement of excellence in financial management in the federal government. In FY 2006, the Department received its *tenth* unqualified audit opinion and its *seventh* Certificate of Excellence in Accountability Reporting (CEAR) Program Award from the Association of Government Accountants.



Improving financial performance is a continuous journey of gaining experience, rather than a race to the finish line. Success in implementing innovative and cost-effective financial performance strategies takes strong, sustained commitment from senior management. As fiduciaries of our government's resources, we must demonstrate to the American people that we are committed to effective stewardship of their dollars — while delivering services to those in need.

CAM

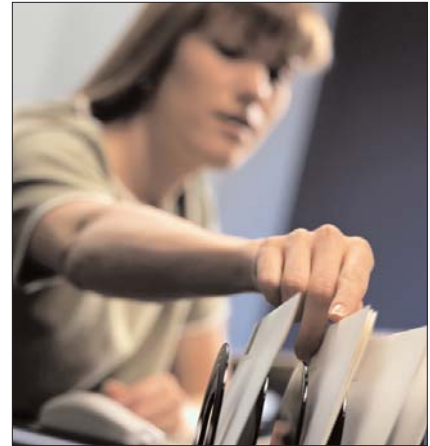
DOL's managerial cost accounting system, Cost Analysis Manager (CAM), provides program managers with costs of outputs and activities to better understand how those costs affect the operations of their programs. This tool collects and allocates costs to activities — and ties these costs to performance. In doing so, it improves accountability and transparency by showing the results for the tax dollars spent. CAM generated the Performance Goal Costing information in the FY 2006 *Performance and Accountability Report* at the strategic, outcome, and performance goal levels, and for the first time at the performance indicator level.

Currently, several DOL agencies have been expanding their use of CAM to provide either more detailed insight into the cost makeup and results of specific programs or a measurement of the effectiveness of those programs. In addition, some agencies have been exploring the use of a new CAM module, *Predictive Planning*, which leverages the cause-effect relationships between resources, activities, and outputs already built into the CAM cost model. Predictive planning improves forecasting capabilities and enables agencies to make continual adjustments to budgets and financial plans with very little effort. OCFO is currently rolling out a new Web-based data collection tool that will enable agencies to complete more easily periodic labor distribution, contract, and travel cost allocation surveys.

E-GOV TRAVEL

DOL is at the forefront of the federal government's efforts to implement the E-Gov Travel Service (ETS). The Office of the Chief Financial Officer is leading this initiative within the Department. ETS has reengineered and improved the federal government's travel process and facilitates a more efficient and streamlined approach to travel management operations. DOL's end-to-end automated travel management service allows you – the traveler – to make online reservations, electronically generate and submit travel authorizations/vouchers for approval, and initiate automated reimbursement of travel expenditures. Since its on-time launch on September 30, 2006, DOL's ETS has successfully served over 12,000 repeat DOL employee travelers. Over 53,000 vouchers have been completed since April 2007, exceeding the General Services

Administration's goal by 7%. The E-Gov Travel team continues to provide assistance to DOL employees via a help desk and live training in the National and Regional Offices. In this 21st century workforce, DOL is steadily moving toward a complete end-to-end *paperless* system with enhancements that are advantageous to the end-user and which improve efficiency while maintaining accountability.



"TO BE FREE, THE
WORKERS MUST HAVE
CHOICE. TO HAVE



CHOICE
THEY MUST
RETAIN IN
THEIR OWN
HANDS THE

RIGHT TO DETERMINE
UNDER WHAT CONDI-
TIONS THEY WILL
WORK."

SAMUEL GOMPERS (1850-1924) 1989 LABOR HALL OF FAME HONOREE

Born in London, Samuel Gompers began making cigars at age 10. When his family immigrated to New York in 1863, he continued rolling cigars from home until he was able to find work in the local shops. Gompers joined the local United Cigar Makers Union and worked his way up through the ranks to become first vice president of the Cigar Makers International Union. In 1886, he became the first president of the newly-formed American Federation of Labor.

Gompers worked tirelessly to transform the economic, social, and political status of America's workers. He advocated a labor movement with three defining characteristics. First, he envisioned unions of wage earners clustered together by their trade or craft identification. Second, he urged unions to focus on their economic power in the marketplace, emphasizing economic reform over legislative reform. Third, he encouraged the labor movement to embrace "political nonpartisanship" and to enhance political leverage by seeking endorsement from existing political parties. During World War I, President Wilson appointed Gompers to the Council of National Defense, through which he helped gain workers' support for the war. At the end of the war, the President appointed Gompers to the Commission on International Labor Legislation at the Versailles Peace Conference, out of which came the International Labor Organization.

EXPANDED ELECTRONIC GOVERNMENT

GOVBENEFITS.GOV: A SEMIFINALIST FOR HARVARD UNIVERSITY INNOVATION AWARD

In April 2007, GovBenefits.gov was named as one of the Top 50 government programs in the Innovations in American Government Award program of the Ash Institute for Democratic Governance and Innovation at Harvard University's John F. Kennedy School of Government. GovBenefits.gov was one of only six federal programs so recognized. The Top 50 programs were selected from a pool of nearly 1,000, representing all levels of government, and recognized for novelty, creativity, effectiveness at addressing issues, and their potential to be replicated by other jurisdictions.



"GovBenefits.gov offers extensive benefit program information for veterans, seniors, students, teachers, children, people with disabilities, dependents, disaster victims, farmers, caregivers, job seekers, prospective homeowners and more," said Patrick Pizzella, Assistant Secretary of Labor for Administration and Management and Chief Information Officer. "The Web site has attracted more than 25 million visitors since it went online in April 2002, increasing citizens' access to benefit programs and information they may not have known existed."

45 YEARS OF SERVICE!**NATIONAL OFFICE**

DANIEL H. GINSBURG – BLS
DONALD A. LUDWIG – ESA
PAUL RALLI – ETA
CATHERINE G. SMITH – ESA
SETH D. ZINMAN – SOL

REGIONAL OFFICE

HELEN B. KLEIN – ESA

ENTERPRISE ARCHITECTURE: MOVING E-GOVERNMENT FORWARD

IT Infrastructure Optimization – The Department is investing in a unified technology infrastructure to optimize information technology (IT) services, such as data systems, telecommunications systems and services, and end-user systems and services. This unified approach helps reduce redundancy and ensures that we comply with OMB's Infrastructure Optimization Initiative, which began in March 2006. DOL has a transition plan to migrate nine wide area networks into a single network (DOLNet) by 2009. When completed, all agencies will benefit from more up-to-date, uniform, and reliable networking to meet growing requirements in a cost-effective manner. In 2006, three agencies were migrated to DOLNet—representing 25% of DOL users.

Human Resources Line of Business DOL is in the process of implementing five e-Gov initiatives related to human resources (HR). These efforts will create government-wide solutions for modern, cost-effective, and standardized systems that automate HR processes and support the *Strategic Management of Human Capital* PMA initiative. DOL has successfully implemented the Electronic Official Personnel Folder (e-OPF), giving you online access to **your** personnel actions. e-OPF automates what recently was a time-intensive paper-based process. Additionally, DOL recently implemented e-Clearance to automate the security clearance process and integrate with the Office of Personnel Management's investigative procedures.

Budget Formulation and Execution Line of Business – The Department is implementing the Departmental e-Budgeting System (DEBS), a Web-based, integrated system that automates the Department's budget formulation, publication, and reporting process. DEBS will improve the efficiency of the Department's budget process, and strengthen the quality of our budget documents.

Mission Area Agility and Flexibility – The Department's Mine Safety and Health Administration (MSHA) and Veterans' Employment and Training Service (VETS) have made significant progress toward modernizing the technology that supports achieving their strategic goals and objectives. MSHA's Standardized Information System (MSIS) has eliminated existing stove-piped internal management systems, reduced risk by eliminating the legacy mainframe environment, centralized satellite databases to reduce support and management costs, and helped enable data sharing. This integrated platform also produces economies of scale and simplifies maintenance, resulting in cost savings estimated at more than **\$2 million**.

The VETS Case Management Information System (CMIS) is an enterprise system that integrates all of VETS' existing systems and provides a framework for integrating existing disparate system data. CMIS will provide VETS management with more effective ways to evaluate and monitor program outcomes to maximize veterans' employment opportunities, protect veterans' employment rights, and meet labor-market demands with qualified veterans.



IMPLEMENTATION OF HOMELAND SECURITY PRESIDENTIAL DIRECTIVE

DOL is among the front-runners across the federal government in our implementation of Homeland Security Presidential Directive 12 (HSPD-12) – the policy for a common identification standard for federal employees and contractors. The goal of HSPD-12 is to provide a more uniform, secure and reliable form of identification across the federal government.

To date, DOL has enrolled over 4,300 employees and issued over 3,000 new Personal Identity Verification (PIV-II) ID Badges. HSPD-12 has fostered greater collaboration and opportunities for improving how the Department handles information related to your identification through all business processes. DOL is also providing our contract employees PIV-II ID Badges. Plans are in progress for ensuring that it is efficient and we can uniformly document where our contractors are and their current status. DOL now ranks among the top three civilian agencies for the number of PIV-II identification badges issued.



THIS IS YOUR
NEW SMART CARD.

HOW DOES IT WORK?

Your PIV-II badge works like your current DOL badge — but with these additional security features:

- Smart Card
- Digital Certificate
- Biometrics: Primary and Secondary Fingerprints are stored on the badge



MILTON HERSHEY (1857-1945) 2003 LABOR HALL OF FAME HONOREE

Combining entrepreneurial genius and a strong humanitarian impulse, Milton Hershey fed the nation's sweet-tooth and contributed in unique ways to the national welfare. As a boy, he was an apprentice with a candy-maker in

"I HAVE ALWAYS
WORKED HARD, LIVED
RATHER SIMPLY, AND
TRIED TO GIVE EVERY
MAN A SQUARE
DEAL."

Lancaster, Pennsylvania. Finally establishing his own successful caramel-making firm, in 1894 he decided to make a little-known confection: chocolate. Its immediate popularity guaranteed enormous success to the Hershey Chocolate Co. and resulted in the creation of thousands of good jobs. Hershey scrupulously observed fair practices toward his employees and built the model town of Hershey, Pennsylvania, to house them. He also provided a bank, department store, school, park, churches, golf courses, zoo, and a trolley system to bring in workers from nearby towns. He established the Hershey Industrial School for orphaned boys in 1909, donating his entire personal fortune to the school. Today it is known as the Milton Hershey School and is the largest residential pre-K through grade 12 school in the United States.

OCIO LABORNET WEB PAGE TRANSFORMED

In order to facilitate greater support and collaboration between DOL agencies, the Office of the Chief Information Officer (OCIO) transformed the OCIO LaborNet Web page. The new Web page has been completely updated and expanded – with an emphasis on being user-friendly and providing you greater access to OCIO information and resources. The site includes detailed information about the OCIO – including the genesis of the office, office functions, program areas, various OCIO program-related calendars, as well as an overview of current IT investments being managed and operated by the OCIO. The redesigned Web site features:

- *In Focus* and *Highlights* sections on the main page to post announcements, provide reminders, and share other important information.
- An *operating status* message box so that you can quickly and easily determine whether or not systems are available – along with an explanation and timeframe to resume accessibility.
- A detailed *Frequently Asked Questions* page that provides answers to the most common questions in a growing number of subject matter areas.

The OCIO has now begun to focus its efforts on the redesign of its public Web page on www.dol.gov – so check it out soon!



OCIO COMPLETES THE IT INVESTMENT MANAGEMENT QUICK REFERENCE GUIDE

The OCIO completed its IT Investment Management *Quick Reference Guide*, a reference that assists and supports IT investment managers in understanding and navigating the DOL IT investment management framework. The *Quick Reference Guide* – which is already widely used throughout the Department – is also getting a lot of attention outside DOL. We have shared the guide with the Federal CIO Council – promoting it as a best practice for communicating the IT Investment Management process. As a result, several federal departments have requested copies to share with their IT programs/investments and to adopt various concepts and practices.

BUDGET AND PERFORMANCE INTEGRATION

The PMA's *Budget and Performance Integration* (BPI) initiative, now known as the *Performance Improvement* initiative, seeks to ensure that performance is routinely considered in funding and management decisions – and those programs achieve expected results while working toward continual improvement. At DOL, it has resulted in a gradual cultural shift that fosters a closer dialogue among program, performance, budget, and finance staff. Two areas to highlight:

DEPARTMENTAL e-BUDGETING SYSTEM (DEBS)

Involved in the annual budget process? Help is on the way. The Departmental Budget Center (DBC) successfully completed pilot tests of the new DEBS system this year and rolled it out to all of DOL for the FY 2009 budget cycle. The pilot test involved five agencies or offices with 50 volunteer users who evaluated the new system – which met or exceeded all performance goals established for it. DBC received excellent feedback on DEBS and generated lessons learned from the pilot that improved the system for Department-wide roll out.

For the FY 2009 budget cycle, DBC released DEBS 2.0 Turbo. DEBS 2.0 Turbo is easier to use and allows users to upload Microsoft Excel spreadsheets into the system.

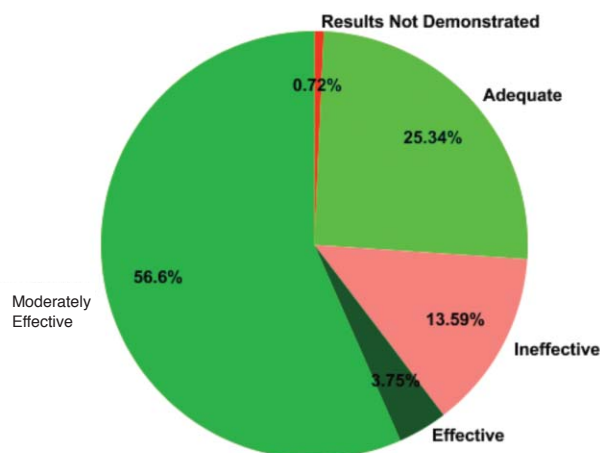
PROGRAM ASSESSMENT RATING TOOL (PART)

New PART Assessments for four DOL programs were included with the Department's release of the FY 2008 budget. The programs included the Office of the Solicitor (*Moderately Effective*), Wage and Hour Enforcement and Compliance (*Moderately Effective*), Homeless Veterans Reintegration Program (*Moderately Effective*), and the Office of Disability Employment Policy (*Results Not Demonstrated*). These four assessments brought the total number of DOL programs assessed through the PART to 32.

As the 2006 PART process brought the first five-year DOL PART schedule to a successful conclusion, DOL worked collaboratively with OMB's Labor Branch to develop a second five-year PART schedule. The new PART schedule established plans to conduct new assessments and reassessments for DOL programs through 2011.

DOL recently concluded six assessments and reassessments through the 2007 PART process. These assessments included National Emergency Grants, the Energy Employees Occupational Injury Compensation Program, Job Corps, the Occupational Safety and Health Administration, the Pension Benefit Guaranty Corporation, and Trade Adjustment Assistance. All new PART assessments, scores, ratings, and Improvement Plans will be published on www.ExpectMore.gov during the summer. This is several months in advance of when they have been published in the past – and will allow PART findings to play a more central role in the finalization of the FY 2009 DOL Budget.

RATINGS OF AGENCY SPENDING,
LABOR



DOL REPORTING EXCELLENCE

In April, George Mason University's Mercatus Center rated the Department of Labor's FY 2006 *Performance and Accountability Report* (PAR) among the best in the government. DOL tied with the Department of Veterans Affairs for second place, behind the Department of Transportation. This lofty ranking complements four previous number one rankings (2002, 2003, 2004, and 2005). The reports are judged according to how *transparently* an agency discloses its successes and failures; how well an agency documents the tangible *public benefits* it claims to have produced; and whether an agency demonstrates *leadership* by using annual performance information to devise strategies for improvement.

For the FY 2007 PAR, DOL along with several other agencies will produce a highlights document. OASAM, OCFO, and OIG are working collaboratively to determine how best to summarize DOL's performance accomplishments and transparently report the Department's financial standing in the highlights document. Look for the FY 2007 PAR on November 15, 2007 and the DOL FY 2007 Highlights on February 1, 2008.



DOL SUBMITS STRATEGIC PLAN FOR FY 2006 - 2011

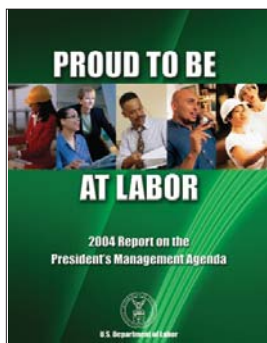
As noted earlier, in September 2006, DOL submitted its Strategic Plan for Fiscal Years 2006 - 2011 to Congress and to the Office of Management and Budget. The Strategic Plan serves as a roadmap for programs to define priorities, refine strategies, and measure performance. Federal agencies must update their strategic plan every three years to meet the requirements of the Government Performance and Results Act (GPRA) of 1993. The plan expresses the vision of DOL leadership, represents the work of agencies and projects the result of DOL programs for the American public. Among the trends identified in the plan that reflect a rapidly changing workforce are global competition, the growing demand for workers

with advanced skills, training and education, and the transition to new technologies which will increase access to telecommuting and e-learning opportunities. DOL's four strategic goals are highlighted on page one – and the updated plan places increased emphasis on partnerships with industry and education providers for more effective job training. Within DOL, the Strategic Plan serves as the foundation for future annual *Performance and Accountability Reports* and budgets. Its strategies, goals and performance indicators are more outcome-oriented. Programs and strategies are more effectively aligned with Department goals. "This Strategic Plan is a blueprint for a Department of Labor that effectively serves America's workers now and in the future," said Secretary Chao.

FAITH-BASED AND COMMUNITY INITIATIVE

THE DEPARTMENT'S NEWEST AGENCY: CONTINUING TO MAKE A DIFFERENCE!

Over the past six years, DOL has significantly expanded opportunities for partnerships with faith-based and community non-profit organizations (FBCOs) to better serve Americans in need. Critical to this effort is removal of any unnecessary barriers to the participation of small non-profit and faith-based organizations in DOL grants and programs, thus establishing a “level playing field” for all. The Department has also employed a wide range of grants, technical assistance and other tools to draw upon the unique strengths of FBCOs in efforts such as serving the unemployed and underemployed, aiding homeless and incarcerated veterans, helping ex-offenders transition from prison to work, and reducing exploitative child labor abroad. In the coming year, DOL will continue to build on its record of national achievement in strengthening partnerships between faith-based and community organizations and the workforce investment system at the state and local levels.



HAVE YOU READ THE FIRST DOL REPORT TO EMPLOYEES?

Find it at: http://www.whitehouse.gov/results/agenda/report8-04/depart-ment_of_labor.pdf

GRASSROOTS GRANTS

The size of many federal grants puts them out of the reach of smaller FBCOs, so DOL's Center for Faith-Based and Community Initiatives worked with the Employment and Training Administration (ETA) to create “Grassroots” grants, which feature simplified application and reporting requirements and allow DOL to draw upon the strengths of smaller organizations with significant potential to augment the workforce system in local communities. A 2006 evaluation reported that Program Year 2005's 48 Grassroots grantees used modest \$25,000 grants to provide an expansive range of services, including enabling 1,460 high-need individuals to enter

employment. Significantly, 1,007 of these individuals – ranging from ex-offenders to homeless individuals to persons with disabilities – were helped to retain their jobs for at least six months. Part of the grantees' success came through leveraging a remarkable 14,275 volunteer hours. ETA is funding a sixth year of Grassroots grants in 2007.

MORE THAN GRANTS

While a “level playing field” in the grants process is a key goal of the Faith-Based and Community Initiative, much of the Center's work is focused on other means of working together. These include such activities as helping local Workforce Investment Boards expand networks of FBCO partners and providing technical assistance to workforce development-related

FBCOs that helps them track results and improve services to the individuals they serve. In 2005, DOL launched the SHARE Network, a Web-based resource directory that enables the One-Stop Career System to refer clients to regional FBCOs for services it does not provide, while also equipping FBCOs to become remote “access points” to many of the core services available at One-Stops. Ten states currently participate in SHARE Network, and that number is expected to show continued growth.

PRISONER RE-ENTRY

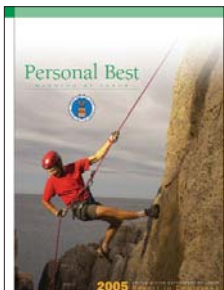
Data show that two-thirds of the 680,000 prisoners released every year are rearrested within three years. DOL is committed to helping ex-offenders make a fresh start. *Ready4Work*, DOL's first re-entry pilot program, ended services in August 2006 and produced very promising results. In 2005, the Department launched the President's Prisoner Re-entry Initiative (PRI), awarding 30 grants to sites that will provide a wide range of transitional and employability services to ex-offenders returning to their communities. The Department of Justice is a partner in this initiative, providing pre-release mentoring to exiting prisoners. As of April, 6,817 PRI participants were enrolled in the program, 47,385 persons received services, and 3,651 participants have been placed into jobs. Most recently, a new ETA grant will allow ex-offenders to select the services necessary to address their unique needs as they transition into the workplace.

EVALUATION, RESEARCH AND RESULTS

New FBCO partners have been among DOL's most effective partners and grantees in recent years. The Center has engaged an aggressive research agenda that includes in-depth evaluation of DOL pilot programs and other efforts that include FBCOs. For example, an expansive peer review of the DOL's *Ready4Work* re-entry pilot program shows that 4,482 participants enrolled in the program. Of these participants, 86% have received employment services and 63% have received mentoring services. *Ready4Work* sites have placed 2,543 participants into jobs, with 63% of those placed retaining their job for three consecutive months after placement. Of *Ready4Work*'s clients whose status is known, 2.5% have been re-incarcerated in State institutions within six months of release. Only 6.9% of the same population was re-incarcerated at the one-year mark. Compared to the benchmark Bureau of Justice Statistics re-incarceration study, the *Ready4Work* figures are 45% lower than the national re-incarceration rate of 5% at six months – and 44% lower than national rate of re-incarceration one year after release.

GREEN STATUS

On the June 30, 2006 OMB PMA Scorecard, DOL was upgraded to **green** status on its *Faith-Based and Community Initiative* efforts – and has continued this momentum over the last twelve months. Making a difference!



READ ABOUT DOL BECOMING THE FIRST DEPARTMENT TO ACHIEVE ALL **GREEN** STATUS SCORES ON THE PMA IN THE 2005 REPORT TO EMPLOYEES HERE:

http://www.whitehouse.gov/results/agenda/report7-05/department_of_labor.pdf



WILLIAM S. HARLEY
(1880-1943),
ARTHUR DAVIDSON
(1881-1950),
WALTER DAVIDSON
(1876-1942), &
WILLIAM DAVIDSON
(1870-1937)
2004 LABOR HALL OF
FAME HONOREES

Working in a 10 x 15 foot wooden shed, William Harley and Arthur and Walter Davidson produced their first motorcycle in 1903. With part-time help from William A. Davidson, who later became a full-time member of the team, the young Harley-Davidson Motor Company produced eight motorcycles in 1905. This prompted them to hire their first employee and by 1920, the Harley-Davidson Motor Company was the largest motorcycle manufacturer in the world, both in volume and in the size of its facilities. Through periods of both war and economic

"MY OFFICE DOOR IS
ALWAYS OPEN."

—WILLIAM A. DAVIDSON

depression, Harley-Davidson has endured because its founders both used and believed in its products and relied on the dedication of its employees to produce quality motorcycles. Today, the company has over 9,000 employees worldwide and, in 2006, authorized the first distributor in Mainland China. The founders' names are synonymous with motocycling, and what started in a Milwaukee backyard has spread far and wide.

ELIMINATING IMPROPER PAYMENTS

Better detecting and preventing improper payments to ensure taxpayer dollars are spent wisely and efficiently is the goal of the *Eliminating Improper Payments* PMA initiative. At the Department, developing strategies and the means to reduce improper payments is a matter of good stewardship. Accurate payments lower program costs. This is particularly important as budgets have become increasingly tight.

The Improper Payments Information Act of 2002 (IPIA) defines improper payments as those payments that should not have been made, or were made in an incorrect amount, under applicable law (including payments made to ineligible recipients). The Department is required to estimate the annual amount of improper payments made in the identified programs; report those estimates to Congress annually; and, if an estimate for a particular program exceeds \$10 million, report on what actions the agency is taking to reduce the improper payments. The Department has three programs classified as high risk for improper payments. Two are benefit programs: Unemployment Insurance (UI) and Federal Employees Compensation Act (FECA); the other is a grant program, Workforce Investment Act (WIA).

In FY 2006, the estimated improper payments for these three programs were \$3.2 billion for UI benefits, \$0.7 million for FECA benefits, and \$6.4 million for WIA grants. The UI program had an estimated overpayment rate of 10.0%. By comparison, FECA's improper payment rate was 0.03%, and WIA's 0.17%.

Two factors appear to account for most of the increase in the UI program's overpayment rate from 9.3% a year earlier:

- *Hurricanes.* Several major hurricanes in 2005 had a devastating impact on Louisiana, Mississippi, Alabama, Florida, and Texas. Overpayments in these states increased significantly during FY 2006, largely because of confusion about reinstated eligibility requirements that had been temporarily suspended due to disruption of the economy.
- *Improved Overpayment Estimates.* An aggressive emphasis on payment integrity over the past few years has begun to improve the UI program's ability to detect individuals who are working and claiming UI benefits concurrently, the single largest cause of overpayment errors. This increased attention has heightened states' overall awareness of the problem of UI benefit overpayments and led to improved—and higher—improper payment estimates.

In addition, Congress authorized states to access the National Directory of New Hires (NDNH) to improve their estimates of overpayments due to workers who return to work but continue claiming benefits. Currently, about half the states incorporate cross matches with either the NDNH or their state directories of new hires into the investigations from which overpayments are estimated. The Department plans to require states that

EXCEPTIONAL SERVICE IMPACT AWARD

KAY OSHEL

Washington, DC
Employment Standards
Administration

In January 2005, Kay was appointed to the Senior Executive Service as the Director of the Office of



Policy, Reports, and Disclosure (OPRD). Most recently, she developed and implemented a program

to provide enhanced advisory support and compliance assistance to labor organizations to promote union democracy, transparency, and financial integrity under the Labor-Management Reporting and Disclosure Act (LMRDA). The initiative provides for enhanced outreach, compliance assistance, and union advisory services to monitor and assist unions in complying with the requirements of the LMRDA.

accept DOL grants for administration of their Unemployment Insurance programs to use the NDNH to improve their estimates of overpayments. Currently, about half the states incorporate cross matches with either the NDNH or their state directories of new hires into the investigations from which overpayments are estimated. Cross matching against the NDNH will become mandatory in January 2008.

The FECA program continues its progress in improving medical bill processing using an outsourced bill processing service. Significant attributes of the service include the ability to better match treatments to work-related injury or illness and more sophisticated bill editing techniques. The bill processing service uses automated front-end editing operations to check for provider and claimant eligibility, accepted condition and treatment type, billing

form and content, and duplications. The service uses proprietary software to screen professional, medical, and outpatient hospital bills to check for certain improper billing practices. Furthermore, on-site process audits resulted in clearer instructions and corrective action plans. Implementation of in-house audits of bill samples will provide the program with additional information about bill processing performance and will identify weaknesses.

Unlike other programs, WIA poses unique challenges to quantify its improper payments since it does not have data readily available that can be used to develop an estimate of improper payments. It has a complex funding stream that makes it very difficult to assess the improper payment rate at the

beneficiary level. The Department provides WIA grants to states, cities, counties, private non-profits, and other organizations, and it relies significantly on single audits under the Single Audit Act to monitor funding to WIA grant recipients. To estimate WIA's improper payment rate, the Department analyzed a random sample of available single audit reports using the auditors' "questioned costs" as a proxy for improper payments.

While the Department was one of the first cabinet-level agencies to receive a **green** rating under the President's Management Agenda for eliminating improper payments, the Department will continually pursue and refine its efforts to ensure that the funds entrusted to its stewardship go to their intended purpose while exercising the greatest diligence to ensure that improper payments are not made.



EXCEPTIONAL SERVICE IMPACT AWARD

THOMAS GROOMS

Nashville, Tennessee

Office of Solicitor

Since the beginning of his career, Tom has set the standard for working cooperatively with the Mine Safety and Health Administration (MSHA) to achieve better investigations, more legally defensible citations or orders, and accident investigation reports that are compatible with enforcement actions. Tom's work with MSHA in support of the mission to ensure the safety and health of miners is

recognized throughout DOL and the industry. For over twenty years his expertise, attitude and work ethic along with contagious enthusiasm for MSHA's safety mission helped ensure safety for miners.

PROGRAM PERFORMANCE AND INITIATIVE UPDATE— EXTRAORDINARY IN EVERY WAY!

SECRETARY SPEAKS TO MINORITY SMALL BUSINESSES

In October, African American, Hispanic and Asian Pacific American small business owners and members of non-profits and faith-based organizations gathered in Philadelphia for the fourth-annual U.S. Department of Labor Opportunity Conference. The conference was started in 2003 and is sponsored by an array of groups including the League of United Latin American Citizens, the National Urban League and the Pan Asian-American Leadership Caucus.

"The Opportunity Conference provides traditionally underserved communities with networking, skills enhancement and training opportunities to help them access opportunities in mainstream America including contracting opportunities in the federal government," said Secretary Chao. "Small business owners, veterans who are business owners and leaders of faith-based and community organizations will find the Opportunity Conference especially valuable."

Attendees learned about a range of subjects including:

- How to gain access to capital for starting a business.
- Partnership opportunities for faith-based and community organizations.
- How to become eligible for the General Services Administration-approved contractor list.
- How a business can become certified as an 8a minority small business.
- Minority homeownership.



U.S. Secretary of Labor Elaine L. Chao at the regional Opportunity Conference



EXCEPTIONAL SERVICE IMPACT AWARD

JERRY LELCHOOK

Washington, DC

Office of the Assistant Secretary for Administration and Management

In 2002, the Department asked Jerry to become the Deputy Director of Human Resources where he continued in exemplary fashion to assist the Director and the Department in achieving outstanding results in the Strategic Management of Human Capital. His contributions have been and continue to be notable in assisting the Human Resources Center and

the Department in numerous HR arenas: succession planning, over-arching HR policy, executive resources, personnel security, electronic recruitment process, and all e-HR initiatives. The impact of Jerry's contribution in the overall Human Resources and Labor-Management Relations programs of the Department have been and continue to this day to be profound.



ENHANCING COMPLIANCE ASSISTANCE THROUGH TECHNOLOGY

WAGE AND HOUR— PROMOTING FAIR PAY FOR WORKERS

The Wage and Hour Division has unveiled a new elaws advisor — the FLSA Overtime Calculator — to help employers and workers understand and calculate overtime pay. The calculator is available at www.dol.gov/elaws/otcalculator.htm.

The Department's elaws advisors are Internet-based compliance tools to help both employers comply with federal employment laws and workers understand their rights under these laws. By asking a series of questions, each advisor simulates a conversation with a Labor Department expert and provides the user with information on the law's requirements.

Under the Fair Labor Standards Act (FLSA), covered employees who are not exempt must be paid overtime at rates of one and one-half times their regular rates of pay for all hours worked over 40 in a single work week. The new FLSA Overtime Calculator advisor is a practical and helpful compliance assistance tool that provides examples of how FLSA overtime should be computed under some, but not all, scenarios. The calculator will help improve compliance with this important worker protection.

The Overtime Calculator advisor computes overtime pay due in a sample pay period based on information submitted by the user, such as the primary method of pay, additional compensation paid in the form of bonuses, commissions and

shift differentials, and information relating to the hours employees worked. The calculator then totals the hours worked during the sample pay period and, based on the user's input, calculates the overtime pay due for any overtime hours worked. Because it is an educational tool, the advisor also provides links to definitions and detailed information on overtime pay requirements.

The Overtime Calculator joins a suite of five other FLSA employer and employee virtual advisors:

- The Coverage and Employment Status Advisor at www.dol.gov/elaws/flsa.htm helps identify which workers are employees covered by the FLSA.
- The Hours Worked Advisor at www.dol.gov/elaws/esa/flsa/hoursworked provides information to determine which hours spent in work-related activities are considered FLSA "hours worked" and therefore must be paid.
- The Overtime Security Advisor at www.dol.gov/elaws/overtime.htm helps determine which employees are exempt from the FLSA minimum wage and overtime pay requirements under the Part 541 overtime regulations.
- The Child Labor Rules Advisor at www.dol.gov/elaws/esa/flsa/cl/default.htm answers questions about the FLSA's youth employment provisions, including at what age young people can work and the jobs they can perform.
- The Section 14(c) Advisor at www.dol.gov/elaws/esa/flsa/14c helps explain the special minimum wage requirements for workers with disabilities.

Check out these new innovative tools at: www.dol.gov/elaws.

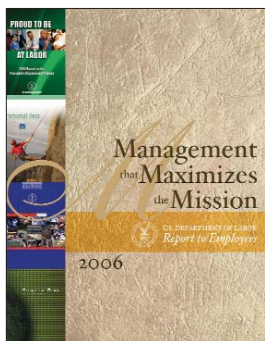
SINCE OUR LAST REPORT...



ASSISTANT SECRETARY FOR POLICY LEON R. SEQUEIRA

Leon R. Sequeira serves as Assistant Secretary of Labor for Policy. Leon previously served as a Deputy Assistant Secretary of Labor. Prior to this, he served as Legal Counsel for a member of the United States Senate Leadership. He also

formerly served as Counsel of the U.S. Senate Committee on Rules and Administration. Earlier in his career, he was an attorney in private practice. Leon received his bachelor's degree from Northwest Missouri State University and his JD from the George Washington University Law School.



HOW DOES DOL USE MANAGEMENT TO MAXIMIZE THE MISSION? READ ABOUT IT IN THE 2006 DOL REPORT TO EMPLOYEES, HERE:

<http://www.dol.gov/dol/pma/2006report.pdf>

EBSA—HELPING EMPLOYERS COMPLY WITH HEALTH BENEFIT LAWS

This year, the Employee Benefits Security Administration (EBSA) launched a new interactive Web site to serve as a resource for employers in complying with the various federal health benefit laws. The Health Benefits Advisor is designed to help employers and other plan officials understand their responsibilities in operating group health plans.

The Web site is an important resource for the employer community – as it will help employers ensure they are in compliance with the laws governing private-sector group health plans that cover an estimated 134 million Americans and their families.

The Health Benefits Advisor, at www.dol.gov/elaws/ebsa/health, provides information on the:

- Consolidated Omnibus Budget Reconciliation Act (COBRA);
- Health Insurance Portability and Accountability Act (HIPAA);
- Newborns' and Mothers' Health Protection Act;
- Mental Health Parity Act; and
- Women's Health and Cancer Rights Act.

The new Web site guides employers through easy-to-use windows containing helpful tools and facts about health benefit laws and is part of EBSA's compliance assistance program that is available to nearly 2.5 million health benefit plans nationwide. Other free publications on health benefits also are available on EBSA's Web site or by calling its toll-free number at 1 (866) 444-EBSA. So share this information with your friends!

COLLABORATION: MAGNIFYING EXCELLENCE

WORKING COLLABORATIVELY THROUGH ALLIANCES: ODEP, OSHA AND MSHA

In March, the Office of Disability Employment Policy (ODEP) launched the Alliance Initiative – a voluntary cooperative program in which organizations committed to improving disability workplace practices will work with DOL to develop and implement model policies, initiatives and strategies that increase recruiting, hiring, advancing, and retaining workers with dis-

abilities. The Alliance is open to businesses, trade and professional associations, labor unions, educational institutions, government agencies at all levels, and other organizations. ODEP's first partner is the Society for Human Resource Management (SHRM), the world's largest association devoted to human resource management with more than 550 affiliated chapters and members in more than 100 countries.

Similar to the alliances formed by OSHA and MSHA with their partners, ODEP will engage its partners in developing training and education, outreach and communication and promoting the national dialogue on the recruitment, hiring, advancement and retention of workers with disabilities.



Former ODEP Assistant Secretary W. Roy Grizzard and SHRM President Susan R. Meisinger, SPHR, celebrate signing the alliance agreement.

Started in 2002, OSHA's Alliance Program has 67 national and 411 Regional and Area Office signed agreements as of May 2007 with businesses, trade or professional organizations, unions and educational institutions. Through the Alliance Program, OSHA and the organizations are working together to leverage resources and expertise to develop compliance assistance tools and resources and share information with employers and employees to help prevent injuries, illnesses and fatalities in the workplace. The materials that are created through the Alliance Program, such as tip sheets, fact sheets, information bulletins, presentations and other information are available on OSHA's Web site.

In addition, the Web site highlights the Program's successes. For example, in January, OSHA's Region IV Youth Alliance received a State Resolution Award from the Governor of Alabama heralding the establishment of a new educational alliance to promote workplace safety and environmental education in schools. The Web site also includes a number of electronic assistance products developed by OSHA in cooperation with Alliance program participants, including an OSHA eTool on ergonomics in the printing industry and an OSHA Safety and Health Topics page on making the business case for safety and health.

Mirroring the similar successful program at OSHA, the focus of MSHA's Alliance program is to prevent fatalities, injuries and illnesses in America's mines through training and education, outreach and communication, technical assis-



OSHA and The Society of Diagnostic Medical Sonography renew national Alliance on January 29, 2007



SINCE OUR LAST REPORT...



DEPUTY UNDERSECRETARY FOR INTERNATIONAL AFFAIRS CHARLOTTE M. (CHARLIE) PONTICELLI

Charlotte M. (Charlie) Ponticelli was appointed Deputy Undersecretary for International Affairs at the U.S. Department of Labor's Bureau of International Labor Affairs in May 2007. Previously, Charlie served for almost four years as the State Department's Senior Coordinator for International Women's Issues, followed by an additional year at State as Senior Advisor to the Assistant Secretary for Population, Refugees, and Migration.

Charlie has extensive government experience, serving previously at the White House (Director of Congressional Correspondence in the Office of Legislative Affairs), the U.S. Agency for International Development (Congressional Liaison Officer for Latin America and the Caribbean), and the U.S. Commission on Civil Rights.

During the Administration of President George H.W. Bush, Charlie was Director of Human Rights and Women's Affairs in the State Department's Bureau of International Organization Affairs and later moved to the International Republican Institute, where she designed and implemented several projects to assist democratic forces in the Balkans. From 2001-2002, she was Director of Lectures and Seminars at the Heritage Foundation.

tance and promoting the national dialogue on mine safety and health. MSHA currently has agreements with nine partners nationwide, including its latest agreement signed on January 23, 2007 with the Association of Equipment Manufacturers (AEM).

AEM is the international trade and business development resource for companies that manufacture equipment, products and services used worldwide in the construction, agricultural, mining, forestry and utility industries. In collaboration with DOL, AEM will develop training materials, educational programs, identify best practices, and distribute information to the mining community.

WORKER RESPONSIBILITY MADE EASY – IN THE BIG EASY!

NEW ORLEANS EMPLOYER FORUM— PROMOTING WORKERS BY CONNECTING WITH EMPLOYERS

In June, the Department hosted the first New Orleans-area Employer Forum for large and small employers to learn more about wages, pension protection, job safety, affirmative action, veterans' re-employment rights, and family and medical leave laws. "The New Orleans Employer Forum will provide workers with knowledge of their rights and increase employer awareness of their own responsibilities," said Secretary Chao. "This outreach



MSHA Assistant Secretary Richard Stickler and Dennis Slater of the Association of Equipment Manufacturers sign the national alliance on January 23, 2007.

effort to help employers protect workers is especially important during the ongoing effort along the Gulf Coast to rebuild and recover from the Hurricane Katrina devastation."

Seven offices and agencies within DOL participated in this effort: EBSA, Wage and Hour, OSHA, OFCCP, VETS, OWCP, and Women's Bureau. These agencies provided critical information on pension protection, the Fair Labor Standards Act, Davis-Bacon and related Acts, workplace safety, "best practices" to help contractors learn how to avoid major technical and discrimination violations, including examples and scenarios from real case studies and instructions for investigating essential aspects of an equal opportunity programs.

VETS covered employer responsibilities under the Uniformed Services Employment and Reemployment Rights Act, guaranteeing veteran reemployment for reservists, guardsmen, and returning active duty personnel while OWCP reviewed the Longshore and Harbor Workers' Compensation Act and what

SINCE OUR LAST REPORT...



ASSISTANT SECRETARY OF LABOR FOR MINE SAFETY AND HEALTH RICHARD E. STICKLER

Richard E Stickler was appointed by President George W. Bush to serve as the Assistant Secretary of Labor for Mine Safety and Health on October 19, 2006. Prior to his appointment, Richard was director of

the Pennsylvania Bureau of Deep Mine Safety. A third-generation coal miner, Richard has more than 37 years of mining experience, working his way up from underground coal miner to superintendent and mine manager. Richard served as a planner and decision-maker at the command center during the Quecreek Mine rescue operation in Pennsylvania in 2002.

A native of West Virginia, he received a Bachelor of Science degree in general engineering from Fairmont State University in 1968 and is certified as a mine safety professional by the International Society of Mine Safety Professionals.

employers need to know to be compliant. The Women's Bureau provided information on its Working Women in Transition Project, which uses high-tech strategies to assist women in finding employment, increasing their earnings, and/or entering into career education/training opportunities.



HIGHLIGHTING U.S. SOLDIERS' ACHIEVEMENTS

Secretary Chao hosted DOL's annual Salute to Veterans in November 2006. She recognized veterans for their contributions in the War on Terror as well as the value they bring to the American workforce, saying: "They are the best and brightest our country has to offer."

With more than 165,000 servicemen and women in Iraq and Afghanistan, DOL's outreach campaign to *HireVetsFirst* and the National Veterans Employment Summit are important actions to help employers appreciate the value of hiring veterans. "Our men and women in uniform are known for their intelligence, strong work ethic, discipline and leadership," Secretary Chao said. "They have the highly marketable professional qualities that employers are looking for."



In the past year, DOL released the first-ever regulations for the implementation and clarification of the Uniformed Services Employment and Reemployment Rights Act (USERRA), which helps protect the jobs and benefits of citizen-soldiers while on active duty. This action – in addition to other departmental efforts – led to a 31% drop in employment-related complaints from returning members of the Reserve and National Guard.



Matthew Heaney, U.S. Army Staff Sergeant, 2000 - Present
ETA Federal Project Officer, PA

ETA—WIRED INTO THE AMERICAN WORKER

The Workforce Innovation in Regional Economic Development (*WIRED*) Initiative continues to move forward in implementing new regional economic development strategies across America. Innovative regional economies are flourishing as a result of three generations of awards. *WIRED* regions received between \$5.1 million and \$15 million over a three year period to build regional partnerships and invest in talent development strategies using the six-step *WIRED* conceptual framework.

The regions, known as Generation One, were selected in February 2006. Coastal Maine; Northeast Pennsylvania; Upstate New York; Piedmont North Carolina; Mid-Michigan; Northwest Florida; East Alabama and West Mississippi; North Central Indiana; Greater Kansas City; Metro Denver; Central and Eastern Montana; and the California Innovation Corridor are known as Generation One. The Virtual regions, that became Generation



Two in January 2007, are: Eastern and Central Puerto Rico; Southwestern Connecticut; Northern New Jersey; Delaware Valley Tri-State Area (Pennsylvania, New Jersey, and Delaware); Appalachian Ohio; Southeast Michigan; Tennessee Valley (Northern Alabama and Southern Tennessee); Southwestern Indiana; Southeast Wisconsin; Arkansas Delta; Rio Grande Valley, Texas; Wasatch Range, Utah; and Northern California. Thirteen additional regions that became Generation Three of *WIRED*, in June 2007, are: Central New Jersey; Southeastern Virginia; Central Kentucky; South Central and Southwest Wisconsin; Southeast Mississippi; Southeast Missouri; Minnesota Agriculture Innovation Triangle; South Central Kansas; Central New Mexico; South Central Idaho; Southern Arizona; Pacific Mountain Washington; and Northern Willamette Valley, Oregon.

Since inception in February 2006, DOL invested over \$326 million in 39 regions nationwide and coordinated efforts with more than 10 federal agencies. Awards for the three generations of *WIRED* regions are used as seed funding, catalyzing investments from other public and private sources supporting each region's strategies for innovation. Early results demonstrate that 1st and 2nd Generation Regions garnered over \$331 million in additional leveraged funds.

SINCE OUR LAST REPORT...

ADMINISTRATOR, WAGE AND HOUR DIVISION

PAUL DeCAMP



Paul DeCamp was appointed the Administrator of the Wage and Hour Division on August 31, 2006. Prior to his appointment, he served as a senior policy advisor to the Assistant Secretary of Labor for Employment Standards. Before his service to the Department, he practiced law with Gibson, Dunn & Crutcher LLP in Los Angeles and Washington, where he focused on state and federal labor and employment laws, class action litigation, and appellate matters.

Paul completed his undergraduate work at Harvard University, graduating *magna cum laude* in Government. He earned a Juris Doctor degree from the Columbia University School of Law, where he was a Notes Editor for the

Columbia Law Review, director of the First-Year Moot Court Program, and a Harlan Fiske Stone Scholar. After law school, he clerked for the Honorable Alan E. Norris of the United States Court of Appeals for the Sixth Circuit.



Exeter Job Corps Center
Exeter, Rhode Island



Montgomery Job Corps Center
Montgomery, Alabama



Sargent Shriver Job Corps Center
Ayer, Massachusetts

JOB CORPS INNOVATES WITH STARS INITIATIVE—RAISING STUDENT RETENTION AND ACADEMIC ACHIEVEMENT

In September 2006, Job Corps announced the launch of a new initiative called STARS (Speakers, Tutors, Achievement, Retention and Success), designed to improve students' preparedness for high-demand industries of the 21st century. This initiative increases students' academic achievement, career skills attainment and retention in the program by providing motivational speakers to inspire them and highly-qualified tutors and mentors to assist them in academics and personal skills.

The STARS initiative is a major component of Job Corps' Vision for the 21st Century and helps students strengthen their literacy, math skills, and personal and social development. STARS increases student retention in Job Corps, ensures completion of their program of study, and ultimately prepares them for the 21st century workplace.

SINCE OUR LAST REPORT...



DIRECTOR OF THE CENTER FOR FAITH-BASED AND COMMUNITY INITIATIVES RHETT BUTLER

Rhett Butler now serves as the Director of the Center for Faith-Based and Community Initiatives. The Center seeks to empower faith-based and community

organizations that are helping their neighbors overcome barriers to employment, find jobs, and stay employed. Prior to joining the Center in June 2003, Rhett worked as legislative director for a U.S. Congressman - where he managed the legislative staff and policy priorities. Rhett also served in the offices of a U.S. Senator and two other U.S. Congressmen - including the former chairman of the House Appropriations Committee. Rhett received a bachelor's degree from Penn State University and is completing a master's degree at Johns Hopkins University. Rhett, his wife Katy, and son William live in Falls Church, Virginia.

Among other things, motivational speakers offers students the opportunity to hear and interact with real-life achievers who provide inspiring messages about what it takes to succeed and the challenges they faced. Tutors provide students with academic assistance based on their individual needs. Mentors provide guidance in career technical areas and offer strategies to enhance personal development and life skills.

Thirteen Job Corps centers across the country are currently participating in the STARS pilot phase. National rollout of the initiative will begin in fall of 2007.

MSHA AND THE NATIONAL MINING ASSOCIATION PRAISE "SENTINELS OF SAFETY"

The Mine Safety and Health Administration (MSHA) recognized twenty mining operations for outstanding 2005 safety records in the annual Sentinels of

Safety awards program in September 2006. MSHA and the National Mining Association jointly sponsored the awards program.

For the second year in a row, J.M. Huber Corp.'s Sandersville Mill of Sandersville, Georgia and Mississippi Lime Company's Peerless Mine of Saint Genevieve, Missouri won the safety award in their respective categories.

Mining companies in various operational categories received recognition for achieving

the greatest number of employee work-hours in 2005 without a fatal injury or an injury that resulted in lost workdays. To qualify, a company is required to compile at least 4,000 employee work hours during the year. This year's 20 winners worked a combined total of almost 2.5 million hours in 2005 without a lost-time injury.

The Sentinels of Safety award is the oldest established award for occupational safety. The first one was announced by President Herbert Hoover – a former mining engineer – when he was Secretary of Commerce in 1925. The annual safety competition has continued to this day.



Sentinels of Safety Award



DOL's move to the Frances Perkins Building, once referred to as the "New Department of Labor" (NDOL) building consolidated most of the Department of Labor Headquarters into a new building. The building was dedicated on October 18, 1974, with President Gerald R. Ford, Secretary Peter Brennan, and General Services Administration Administrator Arthur Sampson presiding.

In March, a Washington-area resident presented DOL with one of the three trowels used during the dedication and cornerstone laying. To the left is a picture of the ceremony and below is a picture of the inscribed trowel used during the ceremony.

The inscription reads:
 Department of Labor building,
 Washington, DC cornerstone ceremony
 October 18, 1974
 Gerald R. Ford, President of the United States
 Peter J. Brennan, Secretary of Labor
 Arthur Sampson, Administrator of General Services





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